



BROUGHT TO YOU BY THE CITY OF HAMPTON ON 1ST & 3RD THURSDAYS

Bond Market Endorses Hampton's Crossroads Project

Skate Park GRAND OPENING

Are you ready to rock the skate park? Grab your board and be there – along with the best boarders in Hampton – when the Woodland Road Skate Park celebrates its Grand Opening on December 14 from 11 a.m.-3 p.m. at 9 Woodland Road.

This is also your chance to learn from the pros. Skate experts will conduct a free skate clinic from 11 a.m.-noon to help you refine your finest skate-board moves.

Food will be free to the first 100 people, and a surprise musical guest will entertain the crowd at noon.

For additional information, contact Scott Canaday at 850-5134 or visit the Parks and Recreation Department at www.hampton.gov/parks.



▲ Michael Curry, Director of the Hampton Arts Commission (above right), recently was awarded the coveted Alli Award by the Cultural Alliance of Greater Hampton Roads. He received this honor for the restoration of the American Theatre which has been called "the jewel in the crown of Peninsula arts and culture." Also receiving an Alli Award were Jim and Ann Tormey (above left and center) for their nine-year effort to construct the Hampton History Museum. The museum is scheduled to open in early 2003.

The city of Hampton on November 22 successfully closed the \$106.3 million Crossroads Project revenue bonds at a True Interest Cost (TIC) of 4.99 percent.

"The size of the borrowing was approximately \$3.5 million smaller than the September 2002 estimate provided to City Council," said David Rose of Davenport & Company, LLC, the city's financial advisor.

"Several factors were behind this exceptional result," he added. "The actual costs were lower than all finance-related cost assumptions we presented to the City Council over the course of the past four years, including the latest presentation in September 2002."

He noted that the city achieved favorable interest rates on the bonds due to the use of bond insurance, which was purchased at a price lower than planned. As a result, the bonds were brought to the market with a AAA rating – the highest possible.

"Achieving that kind of insurance for revenue bonds is truly an accomplishment," said Rose. "It means that AMBAC, the insurance agency, is saying this project is worth backing. They have that much confidence that it will succeed."

A smaller debt service reserve fund was another contributing factor to the cost savings.

"This favorable bond issuance reflects the economic strength and viability of the Crossroads Project," said City Manager George E. Wallace.

"Taxpayers can feel assured that nationally recognized financial planners, the bond rating agencies, professional underwriters, and the investing public have given this project a resounding endorsement."

The Crossroads Project includes a 325,000-square-foot convention center near the

Hampton Coliseum, a 300-room Embassy Suites hotel, 3,500 parking spaces, 250,000 square feet of private commercial development, and an adjacent public park. It is scheduled to open in early 2005.

The project also will be near the 107-acre entertainment-retail center known as the Power Plant of Hampton Roads, presently under construction.

"Interest rates for tax-exempt bonds are at a generational low," said Rose. "But to get these kinds of rates, you also need the confidence of the bond marketplace. The Crossroads Project achieved that, on all fronts."

Both Moody's Investors Service and Standard & Poor's Corporation reaffirmed the City's outstanding General Obligation bond ratings and provided very strong ratings for the Crossroads revenue bonds.

"Moody's believes that the city's solid and stable management will continue to show prudent oversight of budget, debt and capital planning," the rating agency said in a recent press release.

In the past year, other financial entities have also shown confidence in the Crossroads Project.

The agreement with hotel developer John Q. Hammons for a 300-room Embassy Suites headquarters hotel, for instance, required no upfront money on the part of the city. This is far different from hotel agreements throughout the Hampton Roads region, where hosting cities have typically contributed tens of millions of dollars to entice the hotel to come to their city.

In its first ten years of operation, the project will generate net new revenues to the city in excess of \$150 million, according to Economic Research Associates, the city's economic analysts.

A significant portion of the revenue figures are associated with the redevelopment activities that are expected to take place in the area adjacent to the Convention Center.



It's the Most Wonderful Time of the Year!

The Peninsula's largest – and only illuminated – parade kicks off the holidays in grand style at 6 p.m. on Saturday, December 7th in downtown Hampton. Enjoy the magical beauty of an evening parade as the traditional line-up of bands, floats, classic cars, beauty queens and balloons adorn themselves with the lights of the holiday season.

The parade begins at Darling Stadium, travels up Kecoughtan Road to Settler's Landing Road and onto Eaton Street before ending at City Hall.

Hampton is honored this year to have as its parade grand marshals four of the original Tuskegee airmen – Lieutenant Colonel Francis L. Horne, Sr., US Army (Ret); 2nd Lieutenant James L. Williams, US Army Air Corps; Chief Master Sergeant Grant S. Williams, Sr., United States Air Force (Ret), and Master Sergeant Ezra M. Hill, United States Air Force (Ret).

These gentlemen were among the 1,000 black pilots (trained at Tuskegee, Alabama) who broke the racial barrier to honorably serve their country during World War II.

Also representing our nation's proud military tradition will be United States Marines who will be asking for your support for their annual Toys for Tots drive.

Immediately following the parade, the excitement moves to the waterfront. The Lighted Boat Parade will illuminate the Hampton River as boats, decorated in their holiday finery, pass in review behind the Hampton Visitor Center. Parade-goers can stroll the docks to enjoy a closer look at stationary boats also "decked out" for the evening.

So bring the whole family and come out for an evening of fun and festivity – and bring a new, unwrapped toy to give to the Marines to give back to the community.

Ah, the circle of giving. Isn't that what the holiday season is all about?

Understanding the City's Budget

Part III — What Can We Afford?

The budget process is a little like sitting down with your family to talk about how much money you have, asking about each family member's needs and wants, prioritizing those needs and wants, and then deciding what purchases will be made, what repairs will be made, and what will just have to wait until next year.

Of course, with a city budget, all of this happens on a much larger scale.

In December and January, departments submit funding requests to sustain current services and finance new or expanded services. These requests are then compared to available revenue.

Invariably, the funding requests exceed available revenue. Staff then consider available options such as the following:

- not funding some or all new requests
- deferring items until future fiscal years
- cutting less important, existing expenses
- re-examining the way work is performed
- increasing revenue/raising taxes.

Staff's budget recommendation is submitted in April to City Council for review, modification and adoption.

Hampton holds three public hearings prior to Council approving the City's budget.

Because Virginia municipalities are dependent on state financial aid for a significant portion of their budget revenues, it is difficult to finalize revenue estimates until the General Assembly has concluded for a given year. This results in a very short period of time for staff to finalize a budget recommendation and for City Council to consider its merits.

Further complicating the issue this year is the fact that the state is experiencing fiscal challenges and may further curtail funding for city services. This would leave Hampton and other cities with the choice of either raising local taxes or cutting back on services.

To read the 3-part series on "Understanding the City's Budget," go to www.hampton.gov and click on "What's Hot."

INDUSTRIAL PARK DEVELOPMENT UPDATE: Copeland Industrial Park

As one of the oldest industrial parks in the region, the 432-acre Copeland Industrial Park provides a solid base for companies involved in a variety of manufacturing and distribution operations. Over 300 companies employ 7,000 people, many in skilled manufacturing positions. A few of the major nationally known companies in the Park include Howmet, Federal Mogul, Newport News Inc. (a division of Spiegl), Gately Communications, and Catalina Cylinders.

The industrial nature of this major business park provides a strong core of both real estate taxes and machinery and tool taxes to the city. For citizens, it provides the opportunity for skilled jobs. Recent improvements to the Park include landscape improvements to the front entrance, making its direct entrance from I-664 much more attractive to companies and their clients.

Further phased improvements in infrastructure and landscaping totaling \$1.5 million will be made within the next five years, including widening of major roadways, identification signage, lighting and drainage improvements.

With recent and planned improvements, a solid core of outstanding companies, and several available buildings and sites, Copeland Industrial Park continues to be a mainstay for the City of Hampton. It provides an excellent location for both manufacturing and distribution oriented companies.

5&6 SANTA'S ATTIC CRAFT SALE. Senior citizens' handmade crafts from quilts to jewelry will be available for purchase in the lobby of City Hall at 22 Lincoln Street. For information, call 727-8311.

6 A WINTER'S EVE WITH THE ALISON BROWN QUARTET. 8 p.m. This special holiday concert expands the musical horizons of the band, incorporating bluegrass, jazz and Latin sounds. The American Theatre. Tickets are \$25 or \$20 with discounts for seniors, students and military personnel. Call 722-2787 for information.

7 ONE APPALACHIAN CHRISTMAS. 11 a.m. and 2 p.m. Theatre IV brings this heartwarming tale based – on a true story from the 1940s – to the American Theatre. All seats \$6 (no discounts apply).

9 PLANNING COMMISSION. 3:30 p.m. Council Chambers (8th floor, City Hall).

NEIGHBORHOOD COMMISSION. 6 p.m. 2315 Victoria Boulevard, Resource Center. For more information, call 727-6460.

11 CITY COUNCIL. 7:30 p.m. Council Chambers (8th floor, City Hall). For more information, visit www.hampton.gov or call 727-6392.

12 CITIZENS' UNITY COMMISSION. 6:30 p.m. Neighborhood Office conference room (5th floor, City Hall). For more information, call 728-3279.

13-15 REVENGE OF THE REINDEER. 12/13&14 at 8 p.m., 12/15 at 2:30 p.m. The comedy troupe Chicago City Limits brings a "Ho, ho, ho" point of view to the trials and tribulations of the year 2002 and examines the "issues" with which reindeer have to deal during the holiday season. American Theatre. Ticket prices range from \$17.50 to \$25 with

discounts for seniors, students and active duty military. Children under 12, half price.

14 BREAKFAST WITH SANTA. 8 a.m.-10 a.m. Bring the family and have breakfast with the man himself plus games, crafts, storytelling and a ride on the carousel. Tickets are \$12 for non-members of the Virginia Air and Space Center, \$10 for members. Photos with Santa for \$5. RSVP by December 11. Call 727-0900 ext. 782 to reserve your tickets.

18 YOUTH COMMISSION. 7 p.m. Council Chambers (8th floor, City Hall). Open to the public. All youth of middle and high school age are encouraged to attend and address the commission about youth issues. For more information, call 728-3280.

SCHOOL BOARD. 7:30 p.m. Jones Magnet Middle School, 1819 Nickerson Boulevard. For more information, visit www.sbo.hampton.k12.va.us

Hey, Look! It's Bass Pro Shops!

Here's your chance to learn more about what Bass Pro Shops Outdoor World can do for Hampton and its citizens. Find out what Bass Pro stores look like inside – and hear city leaders talk about what makes these stores unique. It's the Bass Pro Groundbreaking ceremony on The City Channel – TV 47, Monday through Friday at 6 p.m.

NOTICE

The next Hampton City Page will appear on Thursday, January 2. See you then!

News and information in *City Page* shows your tax dollars at work. It combines information from city departments into one place, saves money and is timelier than previous newsletters. *City Page* is brought to you by the Public Communications Division of the City of Hampton.

PHONE (757) 727-6893
EMAIL pubcomm@hampton.gov
ADDRESS City Hall, 22 Lincoln Street
Hampton VA 23669

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